

Indicators Workgroup Final Report

Is Maryland successfully achieving its smart growth objectives? If not what are the issues that are preventing the achievement of statewide visions and goals? Are there feasible corrective actions available to policy makers? These questions provide much of the motivation for creating smart growth indicators. For the Indicators Workgroup and the Task Force on the Future for Growth and Development in Maryland, additional motivation came from House Bill 295, which required several things. The codified section of the bill provides a list of indicators that local governments must include in annual reports, beginning in July 2011; local governments are responsible for collecting this information. The indicators are:

1. The amount and share of growth that is being located in and outside of the Priority Funding Areas;
2. The net density of growth that is being located inside and outside the Priority Funding Areas;
3. The creation of new lots and the issuance of residential and commercial building permits inside and outside the Priority Funding Areas;
4. The development capacity analysis, updated once every 3 years or when there is significant change in zoning or land use patterns;
5. The number of acres preserved using local agricultural land preservation funding, if applicable; and
6. The following information on achieving the statewide goal to increase the percentage of growth occurring in priority funding areas (PFAs) stated under subsection (B)(2) of this section:
 - a. The local goal;
 - b. The timeframe for achieving the local goal;
 - c. The resources necessary for infrastructure inside the Priority Funding Areas and land preservation outside the Priority Funding Areas; and
 - d. Any incremental progress made towards achieving the local goal.

The uncodified section of HB295 required that the Task Force make recommendations for additional indicators that the State, National Center for Smart Growth or a local jurisdiction should be required to collect in the following categories:

1. Housing choices, including affordability;
2. The impact of growth on the environment, including land, air and water;
3. The fiscal cost of growth;
4. The job and housing balance;
5. The impact of transportation on growth;
6. The impact of growth on business, including job creation, fiscal impact, agribusiness, tourism, and forestry; and

7. The impact of growth on cultural and historic resources. .”¹

The Workgroup met five times. The group heard representatives of the University of Maryland Center for Smart Growth Research and Education who provided an initial primer on indicators. Members with experience/expertise in the seven legislated subject areas conducted a literature search and reviewed potential indicators, their data requirements and their relation to smart growth. Based on this investigation each subgroup provided a preliminary matrix summarizing potential indicators for each of the seven subject areas. The full Workgroup screened the preliminary matrix and developed two lists of potential indicators for consideration by the Task Force. The lists are summarized in a matrix that contains the following information:

1. The proposed indicator
2. An assessment of the indicator’s data availability
3. A suggested frequency for updating the indicator
4. A suggested geographical coverage for the indicator
5. A notation of whether the indicator is derived from other information or is readily measurable itself (empirical)
6. A listing of identified issues with the indicator
7. The suggested indicator development and reporting entity
8. The Workgroup’s final assessment of the indicator

The Workgroup strongly encourages a cautious approach to the adoption of additional mandatory indicators. The Workgroup’s fundamental finding is that there are many potential indicators; each requires data, which in some cases can be difficult or impossible to obtain. Further, many indicators provide very useful information about the subject it measures, but it may have only a tenuous relationship to smart growth. Therefore, the Workgroup’s primary recommendation is that the Task Force communicate to the legislature that potential indicators be fully studied and vetted before new indicator legislation is considered.

Attachment 1 contains the Workgroup’s indicator matrix. It contains two lists. The first list contains indicators for which the Workgroup achieved consensus that they:

1. Address the legislated subject areas
2. Have readily available data and can likely be calculated with modest effort
3. Appear to directly indicate progress toward smart growth
4. Require less additional study to determine their usefulness

This first list is recommended for priority review and vetting. This list while appearing to meet the Workgroup’s criteria for suitable indicators should be more widely reviewed by those who would be called upon to calculate them and those who would be held accountable for them. Following this review, the remaining indicators should be beta tested and the information gained versus the effort required should be assessed. Once this

¹ HB 295 Enrolled Bill, page 15.

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process is completed and reported to the Task Force, a determination of the need for mandatory indicators and suitable recommendations would be appropriate.

The first list includes indicators for five of the seven legislated areas. The two areas without indicators, the fiscal impacts of growth and the impact of growth on business were examined and draft indicators were considered by the Workgroup. The Workgroup determined that the draft indicators for these areas while providing useful information on the subject did not sufficiently link to smart growth. Therefore all indicators related to these two areas appear in List 2.

The second list contains another group of potential indicators. This second tier of indicators may be very useful, but the Workgroup believes these indicators will require more study than the first list to determine their usefulness. Issues with the indicators on the second list include:

1. Data may be unavailable or require great effort to acquire
2. Tenuous relationship to smart growth
3. Workgroup could not reach consensus on an indicator's value

The group understands that the lists of indicators are long. However, many of the indicators listed are already collected by either local governments or state agencies.

In Attachment 2, the Workgroup provides the Center for Smart Growth's introduction to indicators. Attachment 3 contains several short excerpts from the American Planning Association's report on community indicators to help the Task Force assess the recommended indicators.

The group had lengthy discussions about considering local building permits as a way to collect several of the potential indicators. These include, but are not limited to, measuring impervious surface, new housing units by type, septic systems, and the amount of forest acres cleared, conserved, and planted. The group recommends that this idea be further studied, perhaps in a subgroup of the workgroup.

In conclusion, the Workgroup recommends that the Task Force report to the legislature that for the time being all indicators beyond those required by HB 295 should be optional. The Workgroup understands that the process of creating an effective set of indicators requires a significant amount of research and testing to determine data availability and indicator efficacy. Further, use of indicators must recognize the wide variability among jurisdictions.

Therefore, requiring additional indicators should only occur after a period of appraisal that ensures the selected indicators measure and directly link to smart growth efforts. Indicators should be a tool for community assessment and policy development, and of necessity generally rely on readily available data. Indicators should not result in a useless administrative burden producing little policy guidance. Therefore to be done right, indicator development will take time and probably several iterations of the initial indicators provided by the Workgroup.